COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

	ECEIVED
A	APR OI 2011
	IC SERVICE
	"IVISSION"

IN THE MATTER OF:) SERVICE
THE APPLICATION OF KENTUCKY-AMERICAN)
WATER COMPANY FOR A CERTIFICATE OF) CASE NO. 2007-00134
CONVENIENCE AND NECESSITY AUTHORIZING	÷)
THE CONSTRUCTION OF KENTUCKY RIVER)
STATION II, ASSOCIATED FACILITIES AND)
TRANSMISSION MAIN)

ORDERING PARAGRAPH 12 REPORT

In accordance with Ordering Paragraph 12 of the Commission's April 25, 2008 Order, Kentucky-American Water Company provides the attached project progress report.

Respectfully submitted,

STOLL KEENON OGDEN PLLC 300 West Vine Street, Suite 2100 Lexington, Kentucky 40507-1801 Telephone: (859) 231-3000

BY: W. Jii

Lindsey W. Angram III

Attorneys for Kentucky-American Water Company

CERTIFICATE OF SERVICE

This is to certify that the original and ten (10) copies of the foregoing have been filed with the Public Service Commission this the 1st day of April, 2011, and a copy mailed to:

David E. Spenard, Esq. Dennis G. Howard II, Esq. Assistant Attorneys General 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601-8204

Tom FitzGerald, Esq. Kentucky Resources Council, Inc. P.O. Box 1070 Frankfort, KY 40602

Damon R. Talley, Esq. 112 N. Lincoln Blvd. P.O. Box 150 Hodgenville, KY 42748-0150

John E. Selent, Esq. Edward T. Depp, Esq. Dinsmore & Shohl LLP 1400 PNC Plaza 500 West Jefferson St. Louisville, KY 40202 David Barberie, Esq.
Leslye M. Bowman, Esq.
Lexington-Fayette Urban County Gov't.
Department of Law
200 East Main Street
Lexington, KY 40507

David F. Boehm, Esq. Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202

John N. Hughes, Esq. 124 W. Todd Street Frankfort, KY 40601

Barbara K. Dickens, Esq. Louisville Water Company 550 South Third Street Louisville, KY 40202

STOLL KEENON OGDEN, PLLC

By hister W. In

Kentucky American Water Pool 3 Water Treatment Plant Progress Report

Report Period: January 1 - January 31, 2011

Water Treatr	ment Plant:					
Final punchli	st items ongoin	g				
	NA H- (O)	VTD	Tatal Dualant	T-4-1 Dd4(0)	Percent	(M/anta Ondan 424222)
Actual	Month (3) \$92,418	YTD \$21,304,211	Total Project \$78,635,358	Total Budget(2) \$77,416,006	Complete 101.58%	(Work Order 434232)
Actual	φ92,410	φ <u>21,304,211</u>	φ <i>1</i> 0,030,330	\$77,410,000	101.30%	
Pipeline:						
Contract con	npleted. Reseed	ding may be req	uired in spring u	nder warranty.		
	Month	YTD	Total Droinet	Total Dudget(2)	Percent	(Morte Ordon 424227)
Actual	100ntn \$103,921	\$1.0 \$5,142,388	Total Project \$63,699,888	Total Budget(2) \$63,711,087	Complete 99.98%	(Work Order 434227)
Actual	ψ100,921	ψυ, 142,000	Ψ03,033,000	ψου,711,007	33.3070	
Booster Stat	ion:					
Final punchli	st items ongoin	a				
i mai puncim	at items origoni	g.			Percent	
	Month	YTD	Total Project	Total Budget(2)	Complete	(Work Order 434231)
Actual	\$14,827	\$1,141,931	\$10,856,726	\$10,131,679	107.16%	,
Tatal Dusin of	••					
Total Project	•					
1						İ
Overall the p	roject is 99.5%	complete and is	s on schedule ar	nd on budget.		
	N. 4	VTD	Total Duals of	Tatal Dudantin	Percent	
)	Month	YTD	Total Project	Total Budget(2)	Complete	
Actual Budget	\$217,340 \$405,684	\$28,675,739 \$29,364,918	\$163,388,189 \$163,685,837	\$163,885,837 \$163,885,837	99.70% 99.88%	
Variance	\$405,664 (\$188,344)	(\$689,179)	(\$297,648)	ψ 100,000,001	<i>3</i> 3.00 /0	
variante	(ψ, ου, ο-τ-+)	(ψουσ, 17 σ)	(ΨΕΟΙ,ΟΞΟ)			

¹⁾ Financial results are as of December 31, 2010

²⁾ Financial information on individual portions of the project are revised beginning in January 2010 from previous progress reports which reflected only the construction budget, and now include projected soft costs for each individual portion. The individual component financial information above does not include land, tax-exempt interest charges, and preliminary supply development charges which were \$6,175 for the month, \$3,156,851 for the YTD, \$12,265,861 for the total project and \$12,627,065 for the Total Budget.

Kentucky American Water Pool 3 Water Treatment Plant Progress Report

Report Period:

February 1 - February 28, 2011

Water Trea	itment Plant:					
Final punch	nlist items ongoing.					
					Percent	
	Month (3)	YTD	Total Project	Total Budget(2)	Complete	(Work Order 434232)
Actual	\$283,102	\$283,102	\$78,918,460	\$77,416,006	101.94%	
Pipeline:						
1 ipolino.						
Contract co	mpleted. Reseedir	ng may be req	uired in spring u	nder warranty.		
					Percent	
	Month	YTD	Total Project	Total Budget(2)	Complete	(Work Order 434227)
Actual	(\$47,051)	(\$47,051)	\$63,652,837	\$63,711,087	99.91%	
Booster Sta	ation:					
Dooster Ott	ation.					
Final punch	nlist items ongoing.					
					Percent	
.	Month	YTD	Total Project	Total Budget(2)	Complete	(Work Order 434231)
Actual	(\$11,151)	(\$11,151)	\$10,845,575	\$10,131,679	107.05%	
Total Proje	ct:					
		· · · · · · · · · · · · · · · · · · ·				
Overall the	project is 99.75%	complete and	is on schedule a	and on budget.	D	
	Month	VTD	Total Project	Total Budgat(2)	Percent	
Actual	Month	YTD \$223,900	Total Project \$163,612,090	Total Budget(2) \$163,885,837	Complete 99.83%	
Actual Budget	\$223,900 \$24,101	\$223,900 \$24,101	\$163,709,938	\$163,885,837	99.83%	
Variance	\$24,101 \$199,799	\$24,101 \$199,799	(\$97,849)	φ100,000,001	<i>5</i> 5.05/0	
variance	ψισο,ισο	ψ100,100	(ψυτ,υμυ)			

- 1) Financial results are as of January 31, 2011.
- 2) Financial information on individual portions of the project are revised beginning in January 2010 from previous progress reports which reflected only the construction budget, and now include projected soft costs for each individual portion. The individual component financial information above does not include land, tax-exempt interest charges, and preliminary supply development charges which were (\$1,000) for the month, (\$1,000) for the YTD, \$12,264,861 for the total project and \$12,627,065 for the Total Budget.
- 3) Negative monthly charges are the result of the reversal of an accounting accrual from the previous month.

Kentucky American Water Pool 3 Water Treatment Plant Progress Report

Report Period:

March 1 - March 31, 2011

Water Trea	tment Plant:					
						·
Final punch	nlist items ongoing.					
					Percent	
A - t 1	Month (3)	YTD	Total Project	Total Budget(2)	Complete	(Work Order 434232)
Actual	\$49,756	\$332,858	\$78,968,216	\$77,416,006	102.01%	
Pipeline:						
Contract co	mpleted. Reseedir	ng may be req	uired in spring u	ınder warranty.		
					Percent	
	Month	YTD	Total Project	Total Budget(2)	Complete	(Work Order 434227)
Actual	\$3,882	(\$43,169)	\$63,656,719	\$63,711,087	99.91%	
Booster Sta	ation:					
Final punch	nlist items ongoing.					
*					Percent	
	Month	YTD	Total Project	Total Budget(2)	Complete	(Work Order 434231)
Actual	(\$22,250)	(\$33,401)	\$10,823,325	\$10,131,679	106.83%	
Total Proje	ct:					
				······································		
~				and and boundaries		
Overall the	project is 99.8% c	omplete and is	s on schedule at	na on buaget.	Percent	
	Month	YTD	Total Project	Total Budget(2)	Complete	
Actual	\$30,494	\$254,394	\$163,642,584	\$163,885,837	99.85%	
Budget	\$24,101	\$48,202	\$163,734,039	\$163,885,837	99.91%	
Variance	\$6,393	\$206,192	(\$91,456)	Ţ,00,000,	22.0.,0	

- 1) Financial results are as of February 28, 2011.
- 2) Financial information on individual portions of the project are revised beginning in January 2010 from previous progress reports which reflected only the construction budget, and now include projected soft costs for each individual portion. The individual component financial information above does not include land, tax-exempt interest charges, and preliminary supply development charges which were (\$894) for the month, (\$1,894) for the YTD, \$12,264,967 for the total project and \$12,627,065 for the Total Budget.
- 3) Negative monthly charges are the result of the reversal of an accounting accrual from the previous month.